

# Digital Banking Is a Win-Win

## Intuit Data Shows Consumers Who Bank Online Are Happy, More Loyal and More Valuable

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Think online or mobile banking is just for Gen X or Gen Y? Think again.

Once baby boomers and seniors become active online, they use online banking services, such as digital payments and personal financial management offerings, just as often as the younger Gen X and Gen Y consumers. That's important news for financial institutions that want to retain customers and grow their business. [Intuit](#) Inc. (Nasdaq: INTU) data shows that people who bank online and via their mobile and tablet devices log in about 30 times a month and are more profitable to a financial institution than those who don't bank digitally.

These are among the findings of a comprehensive, ongoing [Intuit Financial Services](#) study of financial institution customer engagement and value. Updated quarterly, Intuit's analysis provides a deep view of banking customer behaviors across several categories: online and mobile interaction, personal financial management, debit card transactions, digital payments and [rewards](#), among others.

"Consumers and small businesses want helpful insights from their financial institution anytime, anywhere and on any device," said Russell Lester, director of analytics at Intuit Financial Services. "Extending the branch experience digitally lets consumers and small businesses do their banking easily on any number of devices in ways that they never could in the past. Financial institutions should rethink how they allocate funds and recognize the value these solutions deliver. The data is clear – greater engagement via digital channels leads to better financial outcomes for the user and the financial institution."

Additional data points from Intuit's study include:

- **More mobility, more logins:** People who banked online – those signing in from a desktop computer – logged in roughly 10 times a month. Mobile banking users increased the number to approximately 19 times a month. That jumps to 31 times per month, when logins from tablets are added to the mix.
  - When looking at Boomers and Seniors in a supplemental study, Intuit found they login 11 and 12 times a month respectively. And, these consumers access their financial information every third day.
- **Higher engagement, better financial outcomes:** Highly engaged consumers of Intuit clients that used multiple digital banking devices to access their services were 61 percent more profitable than offline customers.
- **Better retention:** Financial institutions were 2 percent more likely to retain Intuit online bill pay customers over the course of a year, resulting in up to \$150,000 plus in cost savings to a mid-sized financial institution annually. **Research reports indicate firms**

**spend \$150-\$200 to acquire a new checking customer.**

- **Plastic pays:** The average Intuit Purchase Rewards consumer generated 47 percent more monthly debit card purchases than those online customers who didn't use Purchase Rewards. This produced an estimated additional \$50 of interchange fee income each year per consumer for financial institutions.

## **Profitability Analysis Methodology**

To conduct its profitability analysis, Intuit Financial Services measures data from financial institutions' personal customer base. Offered exclusively to bank and credit union customers of Intuit, the annual analysis provides insights into their customer or members' current banking behavior, helping financial institutions better tailor their products and services. The data includes information from approximately 50 financial institutions collected from July 2009 through September 2012, representing more than 2.5 million consumers with a checking account.

"Most financial institutions measure from too narrow a perspective, including only items such as Web site traffic and online and mobile enrollments," said Jason Weinick, senior analyst for Intuit Financial Services. "By adding the metrics that matter, such as relationship depth, debit card usage and demographics, financial institutions get the data they need to get a complete financial analysis and ultimately increase their bottom line."

## **Suggested Links:**

Learn more banking insights at [Banking.com](http://Banking.com).

Follow Intuit Financial Services at [FinanceWorks on Twitter](https://twitter.com/FinanceWorks).

Read more on the impact of [Baby Boomers and Seniors](#) on online banking

## **About Intuit Inc.**

[Intuit Inc.](http://Intuit Inc.) is a leading provider of business and financial management solutions for small and mid-sized businesses; financial institutions, including banks and credit unions; consumers and accounting professionals. Its flagship products and services, including [QuickBooks®](#), [Quicken®](#) and [TurboTax®](#), simplify small business management and [payroll processing](#), personal finance, and tax preparation and filing. [ProSeries®](#) and [Lacerte®](#) are Intuit's leading tax preparation offerings for professional accountants. Intuit Financial Services helps banks and credit unions grow by offering innovative online and mobile banking solutions that make it easier for consumers and businesses to manage their money.

Founded in 1983, Intuit had annual revenue of \$4.15 billion in its fiscal year 2012. The company has approximately 8,000 employees with major offices in the United States, Canada, the United Kingdom, India and other locations. More information can be found at [www.intuit.com](http://www.intuit.com).

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Intuit Financial Services helps banks and credit unions grow by offering innovative online and mobile banking solutions that make it easier for consumers and businesses to manage

their money. Applying more than three decades of customer insights and innovation to design its products, Intuit provides solutions that help financial institutions achieve higher customer engagement and profitability. Learn more at [www.ifs.intuit.com](http://www.ifs.intuit.com).

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